

## 2 - Tuition Freeze Legislation Draft - 2016 - BOR

Wednesday, January 20, 2016

7:06 AM

**2016 Bill Draft: (BFM)- (14)**

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FOR AN ACT ENTITLED, An Act to authorize the payment of lease rental obligations to the South Dakota Building Authority and the South Dakota Health and Educational Facilities Authority by the Bureau of Finance and Management, to make an appropriation therefore, and to declare an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. There is hereby appropriated from the state general fund thirty-five million five hundred five thousand four hundred fourteen dollars ~~(\$35,505,414)~~ to the Bureau of Finance and Management to be transferred to the South Dakota Building Authority public building fund for the purposes of prepaying lease rental obligations.

Section 2. The funds appropriated in section 1 of this act shall be used to pay or prepay lease rental and associated fees in the amount of thirty-five million five hundred five thousand four hundred fourteen dollars to the South Dakota Building Authority relating to the leases between the South Dakota Building Authority and the Board of Regents relating to the costs of the science facilities and laboratories at various public universities supported by rental paid from the higher education facilities fund and financed by proceeds of the South Dakota Building Authority's series 2008 A-2 and 2008 A-3 bonds;

Section 3. There is hereby appropriated from the state general fund six million eight hundred six thousand six hundred seventy dollars ~~(\$6,806,670)~~ to the Bureau of Finance and Management to be used to make lease payments through the Tuition Subaccount within the South Dakota Health and Educational Facilities Authority for the purposes of prepaying lease rental obligations.

Section 4. The funds appropriated in section 3 of this act shall be used to pay or prepay lease rental and associated fees in the amounts specified below to the South Dakota Health and Educational Facilities Authority relating to the leases between the South Dakota Health and Educational Facilities Authority and the technical institutes and the related real or personal property financed by the South Dakota Health and Educational Facilities Authority all as described below:

Voced Series 2007

	Amount to Fund Cash Center			Budget Amount			Service Fee Saved
	Principal	Interest	Total	Principal	Interest	Total	
8/1/2016	585,000	119,278.13	4.25% 704,278.13	585,000	119,278.13	704,278.13	
2/1/2017		106,846.88	106,846.88		106,846.88	106,846.88	
8/1/2017	4,345,000	106,846.88	4.25% 4,451,846.88	615,000	106,846.88	721,846.88	
2/1/2018			0.00		93,778.13	93,778.13	
8/1/2018			4.75% 0.00	635,000	93,778.13	728,778.13	1,678.50
2/1/2019			0.00		78,696.88	78,696.88	
8/1/2019			5.13% 0.00	670,000	78,696.88	748,696.88	1,392.75
2/1/2020			0.00		61,528.13	61,528.13	
8/1/2020			5.13% 0.00	705,000	61,528.13	766,528.13	1,091.25
2/1/2021			0.00		43,462.50	43,462.50	
8/1/2021			5.13% 0.00	740,000	43,462.50	783,462.50	774.00
2/1/2022			0.00		24,500.00	24,500.00	
8/1/2022			5.00% 0.00	980,000	24,500.00	1,004,500.00	441.00
	4,930,000.00	332,971.89	5,262,971.89	4,930,000.00	936,903.17	5,866,903.17	5,377.50

5.03% Average rate after call date

Assumed Cash Center Funding on July 1, 2016 until call date on August 1, 2017.

ONLY A PORTION OF THESE CAN BE ADVANCE REFUNDED

Call notice will need to be sent to DTC 30 to 45 days prior to the call date of August 1, 2017.

Voced Series 2014A

	Amount to Fund Cash Center				Budget Amount			Service Fee Saved
	Principal	Interest	Total		Principal	Interest	Total	
8/1/2016	170,000.00	12,592.50	182,592.50	0.75%	170,000.00	12,592.50	182,592.50	
2/1/2017		11,955.00	11,955.00			11,955.00	11,955.00	
8/1/2017	175,000.00	11,955.00	186,955.00	1.00%	175,000.00	11,955.00	186,955.00	
2/1/2018		11,080.00	11,080.00			11,080.00	11,080.00	
8/1/2018	170,000.00	11,080.00	181,080.00	1.25%	170,000.00	11,080.00	181,080.00	
2/1/2019		10,017.50	10,017.50			10,017.50	10,017.50	
8/1/2019	950,000.00	10,017.50	960,017.50	1.55%	175,000.00	10,017.50	185,017.50	
2/1/2020			0.00			8,661.25	8,661.25	
8/1/2020			1.85%		180,000.00	8,661.25	188,661.25	348.75
2/1/2021			0.00			6,996.25	6,996.25	
8/1/2021			2.15%		175,000.00	6,996.25	181,996.25	267.75
2/1/2022			0.00			5,115.00	5,115.00	
8/1/2022			2.35%		180,000.00	5,115.00	185,115.00	189.00
2/1/2023			0.00			3,000.00	3,000.00	
8/1/2023			2.50%		240,000.00	3,000.00	243,000.00	108.00
2/1/2024			0.00				0.00	
	1,465,000.00	78,697.50	1,543,697.50		1,465,000.00	126,242.50	1,591,242.50	913.50
			2.21%	Average rate after call date				

Assumed Cash Center Funding on July 1, 2016 until call date on August 1, 2019.

Call notice will need to be sent to DTC 30 to 60 days prior to the call date of August 1, 2019.

Series 2008 A-2 HEFF and M&R Supported Science Facilities - Callable 6/1/2018

Amount to Fund Cash Center					Budget Amount				
	Principal	Interest	Fee	Total	Principal	Interest	Fee	Total	
12/1/2016		582,297.50	66,018.40	648,315.90		582,297.50		648,315.90	
6/1/2017	970,000.00	582,297.50		1,552,297.50	970,000.00	582,297.50 5.00%		1,552,297.50	
12/1/2017		558,047.50	66,064.79	624,112.29		558,047.50	66,064.79	624,112.29	
6/1/2018	23,510,000.00	558,047.50		24,068,047.50	1,020,000.00	558,047.50 5.00%		1,578,047.50	
12/1/2018				0.00		532,547.50	66,033.87	598,581.37	
6/1/2019				0.00	1,070,000.00	532,547.50 5.00%		1,602,547.50	
12/1/2019				0.00		505,797.50	66,080.26	571,877.76	
6/1/2020				0.00	1,125,000.00	505,797.50 5.00%		1,630,797.50	
12/1/2020				0.00		477,672.50	66,041.60	543,714.10	
6/1/2021				0.00	1,180,000.00	477,672.50 4.25%		1,657,672.50	
12/1/2021				0.00		452,597.50	66,036.96	518,634.46	
6/1/2022				0.00	1,230,000.00	452,597.50 4.40%		1,682,597.50	
12/1/2022				0.00		425,537.50	66,064.18	491,601.68	
6/1/2023				0.00	1,285,000.00	425,537.50 4.50%		1,710,537.50	
12/1/2023				0.00		396,625.00	66,131.44	462,756.44	
6/1/2024				0.00	1,345,000.00	396,625.00 4.50%		1,741,625.00	
12/1/2024				0.00		366,362.50	66,115.21	432,477.71	
6/1/2025				0.00	1,405,000.00	366,362.50 4.50%		1,771,362.50	
12/1/2025				0.00		334,750.00	66,015.46	400,765.46	
6/1/2026				0.00	1,465,000.00	334,750.00 4.50%		1,799,750.00	
12/1/2026				0.00		301,787.50	66,141.49	367,928.99	
6/1/2027				0.00	1,535,000.00	301,787.50 4.50%		1,836,787.50	
12/1/2027				0.00		267,250.00	66,015.46	333,265.46	
6/1/2028				0.00	1,600,000.00	267,250.00 4.50%		1,867,250.00	
12/1/2028				0.00		231,250.00	66,108.25	297,358.25	
6/1/2029				0.00	1,675,000.00	231,250.00 5.00%		1,906,250.00	
12/1/2029				0.00		189,375.00	66,146.91	255,521.91	
6/1/2030				0.00	1,760,000.00	189,375.00 5.00%		1,949,375.00	
12/1/2030				0.00		145,375.00	66,054.12	211,429.12	
6/1/2031				0.00	1,845,000.00	145,375.00 5.00%		1,990,375.00	
12/1/2031				0.00		99,250.00	66,139.18	165,389.18	
6/1/2032				0.00	1,940,000.00	99,250.00 5.00%		2,039,250.00	
12/1/2032				0.00		50,750.00	65,922.68	116,672.68	
6/1/2033				0.00	2,030,000.00	50,750.00 5.00%		2,080,750.00	
	24,480,000.00	2,280,690.00	132,083.19	26,892,773.19	24,480,000.00	11,834,545.00 4.74%	1,123,130.26	37,437,675.26	

Assuming cash center to be funded on July 1, 2016 until call date on June 1, 2018.

Call notice will need to be sent to DTC 30 to 60 days prior to the call date of June 1, 2018.

Series 2008 A-3 HEFF Supported Science Facilities - Callable 6/1/2018

Amount to Fund Cash Center					Budget Amount				
	Principal	Interest	Fee	Total	Principal	Interest	Fee	Total	
12/1/2016		186,477.50	21,122.32	207,599.82		186,477.50		207,599.82	
6/1/2017	310,000.00	186,477.50		496,477.50	310,000.00	186,477.50 5.00%		496,477.50	
12/1/2017		178,727.50	21,106.86	199,834.36		178,727.50	21,106.86	199,834.36	
6/1/2018	7,530,000.00	178,727.50		7,708,727.50	325,000.00	178,727.50 5.00%		503,727.50	
12/1/2018				0.00		170,602.50	21,222.84	191,825.34	
6/1/2019				0.00	345,000.00	170,602.50 5.00%		515,602.50	
12/1/2019				0.00		161,977.50	21,153.25	183,130.75	
6/1/2020				0.00	360,000.00	161,977.50 5.00%		521,977.50	
12/1/2020				0.00		152,977.50	21,215.10	174,192.60	
6/1/2021				0.00	380,000.00	152,977.50 4.25%		532,977.50	
12/1/2021				0.00		144,902.50	21,179.54	166,082.04	
6/1/2022				0.00	395,000.00	144,902.50 4.40%		539,902.50	
12/1/2022				0.00		136,212.50	21,105.93	157,318.43	
6/1/2023				0.00	410,000.00	136,212.50 4.50%		546,212.50	
12/1/2023				0.00		126,987.50	21,153.87	148,141.37	
6/1/2024				0.00	430,000.00	126,987.50 4.50%		556,987.50	
12/1/2024				0.00		117,312.50	21,173.97	138,486.47	
6/1/2025				0.00	450,000.00	117,312.50 4.50%		567,312.50	
12/1/2025				0.00		107,187.50	21,166.24	128,353.74	
6/1/2026				0.00	470,000.00	107,187.50 4.50%		577,187.50	
12/1/2026				0.00		96,612.50	21,130.67	117,743.17	
6/1/2027				0.00	490,000.00	96,612.50 4.50%		586,612.50	
12/1/2027				0.00		85,587.50	21,221.91	106,809.41	
6/1/2028				0.00	515,000.00	85,587.50 4.50%		600,587.50	
12/1/2028				0.00		74,000.00	21,123.71	95,123.71	
6/1/2029				0.00	535,000.00	74,000.00 5.00%		609,000.00	
12/1/2029				0.00		60,625.00	21,224.23	81,849.23	
6/1/2030				0.00	565,000.00	60,625.00 5.00%		625,625.00	
12/1/2030				0.00		46,500.00	21,123.71	67,623.71	
6/1/2031				0.00	590,000.00	46,500.00 5.00%		636,500.00	
12/1/2031				0.00		31,750.00	21,139.18	52,889.18	
6/1/2032				0.00	620,000.00	31,750.00 5.00%		651,750.00	
12/1/2032				0.00		16,250.00	21,108.25	37,358.25	
6/1/2033				0.00	650,000.00	16,250.00 5.00%		666,250.00	
	7,840,000.00	730,410.00	42,229.18	8,612,639.18	7,840,000.00	3,789,380.00 4.74%	359,671.58	11,989,051.58	

Assuming cash center to be funded on July 1, 2016 until call date on June 1, 2018.

Call notice will need to be sent to DTC 30 to 60 days prior to the call date of June 1, 2018.